

EXHIBIT “C”



LOCAL 342 FUND OFFICE

166 E. Jericho Tpke. -- Mineola, N.Y. 11501 -- (516) 747-5980 -- Fax (516)-294-4608

April 13, 2007

Dear Employer:

As you have been informed, employer contributions to the Local 342 Independent Welfare Fund have been insufficient to meet benefit costs. As a result, the Independent Fund is financially unable to continue providing benefits and needs additional funding to cover claims. Therefore, on the advice of the Fund's auditor and actuary, the Trustees have taken the following actions.

I. Effective April 30, 2007, the Local 342 Independent Welfare Fund will discontinue your coverage. Effective May 1, 2007, on a going-forward basis, the Local 342 Health Care Fund will provide benefits to those owner-operators who agree to contribute to the Health Care Fund at the required contribution rate and specified annual increases in that rate. The contribution rate must be sufficient to fund the level of benefits being provided. Those employers who decline to contribute at the required contribution rate will not be permitted to participate in the Health Care Fund and they will not be covered by that Fund.

Because of insufficient employer contributions, the Independent Fund currently lacks the resources to pay for all claims incurred through April 30, 2007. These include claims that participants have incurred but have not yet filed with the Fund, which are known as "incurred but not reported" or "IBNR" claims. The Fund's actuaries have projected the dollar amount of the Fund's IBNR. Therefore, the Trustees require each employer to pay the Independent Fund a charge equal to their pro rata share of the Fund's total projected incurred claims, including IBNR, as of April 30, 2007. In addition, all employers who are delinquent in their contributions are required to immediately pay those delinquencies, plus interest, to the Independent Fund.

II. This is to confirm the following:

1. Effective April 30, 2006, your coverage under the Local 342 Independent Welfare Fund will terminate.

2. Your company is required to pay \$8,420.00 to the Independent Welfare Fund as your company's share of claims already incurred, including IBNR. Full payment must be received by May 7, 2007.

3. Your company owes past due contributions to the Independent Fund, plus interest. The total due is \$ 1,480.00 and that payment must be received by May 7, 2007.



Please be advised that, if the above payments are not received by the due date, the Trustees will be forced to take appropriate legal steps to collect these obligations. If such collection proceedings are instituted, the Trustees also will seek the payment of liquidated damages, attorney fees and costs in addition to the outstanding contributions and interest, as is provided under federal law, the Independent Welfare Fund's Trust Agreement and your collective bargaining agreement.

III. In addition, you are required to choose among the following three options. Please indicate your chosen option by initialing the appropriate space below.

Option 1. _____

I choose to participate in the Local 342 Health Care Fund at the monthly rate of \$1,521.00, commencing May 1, 2007. This is the amount I have been contributing to the Independent Fund. I understand and agree that my contribution rate will be increased as follows:

Should the Health Care Fund drop below a ten (10) month reserve, as calculated by the Health Care Fund actuary, the employer shall be required to pay additional contributions as determined by the actuary.

I understand and agree that if I contribute at this contribution rate, I will be provided with coverage identical to that provided under my current Plan, as that coverage may be amended by the Health Care Fund Trustees from time to time.

Option 2. _____

I choose to participate in the Local 342 Health Care Fund (Big Fund) at my current monthly contribution rate, commencing May 1, 2007. I understand and agree that contribution rate will be increased as follows:

September 1, 2007 – 15% increase

September 1, 2008 – 15% increase

September 1, 2009 – 15% increase

I understand and agree that if, at any of the above dates, the Health Care Fund has ten (10) months or more, of reserves, as calculated by the Health Care Fund actuary, my obligation to pay the above increase shall be suspended until such time as the Fund actuary certifies that the Fund's reserves are less than ten (10) months.

I understand and agree that if I contribute at this contribution rate, I will be provided with reduced coverage, as that coverage may be amended by the Health Care Fund Trustees from time to time.

Option 3. _____

I decline to participate in the UFCW Local 342 Health Care Fund. I understand that if I select this Option 3, I will not have coverage under any Local 342 Affiliated Welfare Plans after April 30, 2007.

Please return the enclosed copy of this letter to the Fund Office; attention Donald Proniewych, with your choice of Option initialed, as soon as possible but no later than April 30, 2007. You may fax your selection to me at (516) 747-5917.

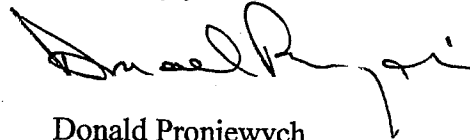
IF I DO NOT RECEIVE YOUR SELECTION BY 5:00 P.M. ON APRIL 30, 2007, YOU WILL BE DEEMED TO HAVE SELECTED OPTION 3.

To assist you in your selection, I enclose a summary of the Health Care Fund benefits that will be provided to you if you selection Option 1 or Option 2. If you have further questions about this coverage, please call the Fund Office.

Finally, if you select Option 1 or Option 2, your collective bargaining agreement must be amended to reflect your participation in and contributions to the Health Care Fund effective May 1, 2007. Local 342 has prepared contract addendums, corresponding to those two options, which are also enclosed. Please execute and return to Local 342 one copy of the contract addendum that corresponds to your selection of Option 1 or Option 2.

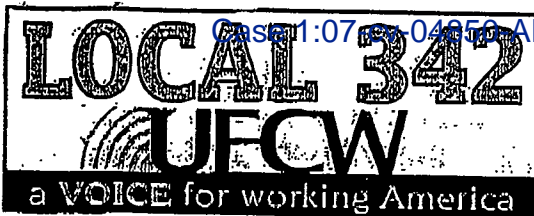
If you have any questions, please contact me.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Donald Proniewych", written over a horizontal line.

Donald Proniewych

Encls.



Trustees: Richard Abondolo Michael Mareno Deana Abondolo
Robert Lazzaro Ira Wincott

May 2007

Dear Employer:

Due to high medical inflation, the costs of providing benefits to participants and dependents in the Local 342 Independent Welfare Fund have continued to rise every year. At the same time, employer contributions to the Local 342 Independent Welfare Fund have not increased sufficiently to meet these increased benefit costs. In short, employer contributions have been inadequate to cover the benefits being provided. As a result, the Independent Fund now is financially unable to continue providing benefits and needs additional funding to cover claims. In view of this serious situation and on the advice of the Fund's auditor and actuary, the Trustees have taken a number of immediate, corrective actions. This letter concerns one of those actions.

Because of insufficient employer contributions, the Local 342 Independent Welfare Fund currently lacks the resources to pay for all claims incurred by participants and their dependents through April 30, 2007 and related administrative costs. This means that the Local 342 Independent Welfare Fund needs additional contributions to pay for claims that participants have already incurred through the end of April. These claims fall into two categories. One category is for claims that members has already submitted to the Fund for payment. The Fund knows the total amount of these claims. The second category is for incurred claims that participants and eligible dependents have not yet filed with the Fund. These are known as "incurred but not reported" or "IBNR" claims. Because these IBNR claims have not yet been submitted, the Fund's actuary has prepared an estimate of the dollar amount of those claims.

In order to pay for both categories of already incurred claims, the Trustees are requiring each contributing employer to pay the Local 342 Independent Welfare Fund a charge equal to their pro rata share of the Fund's estimated total projected incurred claims, including IBNR and administrative expenses, through April 30, 2007. The Fund's actuary has calculated the amount of this charge. The charge for your company is \$4,210.00 per each eligible active full-time employee. This amount is your company's estimated share of claims incurred, including IBNR, through April 30, 2007. An invoice for this charge is enclosed and full payment must be received by May 20, 2007.

If you have any questions, please contact me.

Sincerely yours,

Odalis Gutierrez
Odalis Gutierrez
Fund Administrator

Encl.

